



NEWS RELEASE

CALIFORNIA STATE TREASURER PHIL ANGELIDES

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CALIFORNIA STATE TREASURER PHIL ANGELIDES, CALIFORNIA DEMOCRATIC CONGRESSIONAL CHAIR ZOE LOFGREN DENOUNCE HOUSE REPUBLICANS', GOVERNOR SCHWARZENEGGER'S FAILURE TO PROTECT CALIFORNIA CHILDREN

Spending Cuts Will Hurt California Children, Working Families

SACRAMENTO, CA – California State Treasurer Phil Angelides and California Democratic Congressional Delegation Chair Zoe Lofgren today denounced passage of a federal budget bill put together by the House Republican majority which will dump federal budget problems on California's children, working families and taxpayers and would slash federal funding for state child support enforcement and services in California. The legislation passed by the narrowest of margins, 217 to 215 votes, with all California Republican Congressmembers casting aye votes.

"Governor Schwarzenegger and Republican members of the California Congressional Delegation failed to raise even a whimper of opposition yesterday as Republicans in the House of Representatives pushed through this budget bill that hurts California and its children," Treasurer Angelides said. "The bill would have gone down to defeat if the Governor had made the effort to convince even one single Republican member of the California delegation to vote against it."

"Every member of the California Republican Congressional Delegation chose to vote for a bill that forces California's working families and needy children to pay for tax cuts that will primarily benefit tax payers whose yearly income exceeds one million dollars," said Rep. Zoe Lofgren (D-San Jose). "When looking at the billions that will be taken away from our state's child support collection, Medicaid and food stamp programs, it is truly disappointing that Governor Schwarzenegger did nothing to persuade his Republican colleagues in Congress to vote no on these drastic cuts."

The reconciliation bill, passed by the narrowest of margins, would cut federal child support funding by 40 percent by 2010, and a total of \$15.9 billion over the next ten years, according to the Congressional Budget Office (CBO). California would take the biggest hit – \$3.2 billion at a time when the State faces an ongoing structural budget deficit. In addition, the CBO projects that cutting federal funding for child support enforcement will result in a \$24.1 billion reduction in collections for children in single-parent families. That will amount to a loss of \$4.9 billion of support for California children and lead to more families being forced to rely on public assistance.

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